

VZCZCXRO5295
PP RUEHBZ RUEH DU RUEHMR RUEHPA RUEHRN RUEHTRO
DE RUEHLC #0365/01 2171316
ZNY CCCCC ZZH
P 051316Z AUG 09
FM AMEMBASSY LIBREVILLE
TO RUEHC/SECSTATE WASHDC PRIORITY 1343
INFO RUEHZO/AFRICAN UNION COLLECTIVE
RHMFISS/HQ USAFRICOM STUTTGART GE

C O N F I D E N T I A L SECTION 01 OF 02 LIBREVILLE 000365

SIPDIS

AF/C FOR LISA KORTE

E.O. 12958: DECL: 08/05/2019

TAGS: [EAID](#) [ECON](#) [EINV](#) [PGOV](#) [PREL](#) [TP](#)

SUBJECT: SAO TOME: ELECTION TIMING UNRESOLVED, ECONOMIC
HIGHLIGHTS

Classified By: Ambassador Eunice Reddick for reasons 1.4 (b) and (d)

SUMMARY

¶1. (C) Dates for country-wide National Assembly and Presidential elections in Sao Tome and Principe (STP) are unresolved due to the severe lack of funds of the Sao Tomean Government. Originally scheduled for summer 2009, the Government announced in June that it did not have the required 2 million USD and would push the elections to November. Since that declaration, the November date has been pushed back as well, with the STP Government now debating alternate dates after the 2010 new year) most likely between February or March. A bright spot on the economic front) STP has signed an agreement with Portugal linking the Dobra to the Euro. END SUMMARY.

NO MONEY FOR ELECTIONS

¶2. (C) In meetings from July 15 to 17 PolOff met with Prime Minister Joaquim Rafael Branco, Head of the coalition partner PCD Albertino Braganca, and Acting President of the National Assembly Carlos Eugenio Tiny. In each meeting, the Sao Tomean officials lamented the lack of funds for the government and noted that a debate within the majority Movement for the Liberation of Sao Tome and Principe (MLSTP) and its collation partners regarding an acceptable date for the parliamentary elections remains an issue. Public media reports that the Government expects to require approximately 2 million U.S. dollars to hold the elections, a sum they currently do not have.

¶3. (C) Prime Minister Branco noted that STP has a choice to make- to allow two different election cycles for the National Assembly and the Presidency or to combine the cycle into one comprehensive election. The Prime Minister said that he strongly prefers one date for simultaneous elections as it will be cheaper for Sao Tome. However, he pointed out that many "high-ranking officials" within his own party oppose the plan. When asked why government officials would oppose saving money and holding the elections together, Branco said that his opponents are worried that the presidential campaign will overshadow the National Assembly elections. The officials are concerned that their bids for office will weaken with the country occupied with the presidential race.

¶4. (C) Prime Minister Branco said that he expects municipal elections to still be held in November, the original alternate date for the National Assembly elections. Unfortunately, he added, National Assembly elections would need to be postponed again due to lack of funds, and that the "most likely" date would be between February and March of 2010.

¶5. (C) PCD Chairman Braganca said that elections were essential to the international stature of Sao Tome and Principe and echoed the Prime Minister,s belief that both

the National Assembly and presidential elections would be held in February or March. When asked if he thought it would be held on one day or different days, he answered that it was "too early to tell." Acting President of the National Assembly Tiny told PolOff that the elections were postponed "indefinitely" and that he believed there was "no end in sight" to the debate regarding timing.

POSITIVE ECONOMIC SIGNALS

¶6. (C) The bright spot on an otherwise gloomy economic picture for STP was the recent signing of an agreement with Portugal that linked its currency, the Dobra, to the Euro. Also, Libyan private operators will invest 3 million U.S. dollars over a four year period for the development of a coffee plantation. The 230 hectare plantation belonged to an STP state-owned company, Monte Cafe and has not produced coffee since the mid-1990s. The Libyan investors have also committed to rehabilitating Monte Cafe's facilities and making further investments in STP's coffee sector. Monte Cafe, with about 700 employees, produced about 90 percent of the country's coffee exports in the past. Libya also plans to invest in STP's tourism sector through hotel construction.

COMMENT

¶7. (C) The often-public debate surrounding the timing of the elections suggests that MLSTP unity is coming under pressure, though there is no viable opposition party to take advantage

LIBREVILLE 00000365 002 OF 002

of any ruptures in MLSTP solidarity. Its no secret Sao Tome and Principe are struggling with their national budget. It is likely the Sao Tomean Government will look to the Angolans, Nigerians, Brazilians or Taiwanese to fund their elections. We hear that Nigeria's national assembly just approved an executive request to grant a 10 million USD soft loan to STP. END COMMENT.
REDDICK